



State Employee Benefits Committee  
**Spousal Coordination of Benefits Policy**  
October 23, 2017

## PURPOSE AND INTENT *(first implemented January 1, 1993)*

- Determines how the Group Health Insurance Program will pay health care (medical and prescription) benefits for a covered spouse – as primary or secondary.
- Requires all employees/pensioners upon enrollment of a spouse in their health plan (medical and prescription) and each year during open enrollment\* to certify that the spouse is or is not covered by a plan where the spouse works or is collecting a pension benefit.
- Spouses who have access to health care benefits where spouse works and/or collects pension benefits **and** contributes 50% or less of the premium of the lowest employee only health benefit plan will be covered as secondary under the Group Health Insurance Program.
- Spouses who do not work full-time, do not collect a pension benefit or who work full-time or collect a pension benefit **and** contribute more than 50% of the premium of the lowest employee only health benefit plan will be covered as primary under the Group Health Insurance Program.

*\*Medicare Pensioners have been exempt from the open enrollment certification requirement since 2011 policy revision noted on slide 4.*

# POLICY REVISIONS

## **Purpose:**

- Align with Affordable Care Act provisions
- Provide clarity to employees/pensioners in administration of policy as health care landscape continues to evolve

## POLICY REVISIONS *(continued)*

July 1, 2011:

- Expanded policy to apply to spouses, who retire from their own employer's plan to enroll in spouse's employer's retiree health plan. Applied to spouses retiring on or after 7/1/2011 as well as current spouses who would be eligible to enroll in spouse's retiree health plan.

May 1, 2015:

- Eliminated language related to denial of coverage based on health or pre-existing conditions and references to specific Open Enrollment period were replaced with generic language
- Added language and specified with examples that spouses who are partners in firms/corporations where the full-time employees are offered coverage and pay 50% or less of the lowest employee only premium must also enroll in spouse's organization's health plan.
- Added language that spouses who are employees/pensioners receiving cash in lieu of health care benefits must enroll in a plan in the individual marketplace if the cash amount is more than 50% of the lowest employee only State plan premium.

## POLICY REVISIONS *(continued)*

May 1, 2016:

- Added language to clarify when a benefit eligible Participating Group employee is married to a State of Delaware employee (both eligible under the Group Health Insurance Program), both individuals must enroll in separate contracts of coverage with their own employer.
- Clarified that eligible dependents may not be enrolled more than once under the Group Health Insurance Program when both parents are benefit eligible employees. Eligible dependents can be enrolled under either parent or the requirements of Eligibility and Enrollment Rules 2.02 and 2.03 shall apply.

# POLICY REVISIONS *(continued)*

## Calendar Year 2018 (Proposed):

- Add language to clarify that a spouse whose employer only offers a high deductible health plan with a health savings account (HSA) must still comply with the policy and advise spouse of IRS ruling 2005-25 regarding enrollment in any other health plan and the impact on HSA contributions and taxation.
- Add language to clarify that when a spouse has access to health care benefits both where spouse works and also from where spouse collects a pension benefit, the Group Health Insurance Program will pay health care (medical and prescription) benefits other than as primary (secondary or tertiary).
- Provide clarity to employee/pensioners in administration of policy by removing “Examples to Determine Enrollment in Spouse’s Employer’s Plan” from policy to allow Statewide Benefits ability to update/modify examples continuously as different scenarios arise and warrant explanation.
- Propose publishing examples alongside policy for full transparency.
- Miscellaneous non-substantive changes to clarify policy.

# **SPOUSE COVERAGE AND POLICY ADMINISTRATION STATISTICS**

Number of spouses currently covered under the health plans

<b>Non-Medicare Spouses Covered</b>	<b>Aetna</b>	<b>Highmark</b>
<b>Enrolled</b>	<b>5,335</b>	<b>17,855</b>
<b>ECOB's Received</b>	<b>5,042</b>	<b>17,421</b>
<b>No Form on File</b>	<b>222</b>	<b>384</b>
<b>Spouses Sanctioned (Non-compliance)</b>	<b>71</b>	<b>50</b>

# SPOUSE COVERAGE AND POLICY ADMINISTRATION STATISTICS *(continued)*

Spouses by primary and secondary and/or tertiary status

Non-Medicare Spouses	Aetna	Highmark
Active Primary	4,314	9,868
Secondary	728	7,553
Total Sanctioned	293	434

Primary State of Delaware spouses identified through the SCOB file process

SOD Benefit Eligible	Aetna	Highmark
Employees	380	944
Non-Med Retirees	4	546

SCOB form processing volume for FY17 plan year (July 1 – June 30, 2017)

Forms Processed	Aetna	Highmark
ECOB	5,400	19,057



# CY2018 ADMINISTRATIVE ENHANCEMENTS IN PROGRESS

- Upgrades to the PHRST SCOB form to:
  - improve the user experience
  - mapping to direct employee/pensioner to additional questions/logic if spouse is retired
- Additional PHRST SCOB reporting to:
  - allow SBO to identify employees who are non-compliant during open enrollment
  - verify and audit information provided by employee/pensioner
- Apply upgrades to eCOB SCOB form and reporting  
(eCOB is separate system/database for SCOB administration for State of Delaware pensioners and Participating Group employees/pensioners) as time permits prior to May 2018 open enrollment.